



LAKE COUNTY
FLORIDA

Budget Work Session Fire Assessment Update

June 23, 2015

Purpose



To provide the Board with the results of the
Fire Assessment Study

Presentation Outline



- Overview
- Fire Assessment Study
- Staff Recommended Rates
- Institutional Category
- Next Steps
- Recommended Action

Presentation Outline



Overview

Overview



- Fire Assessment is used to fund fire protection services, such as fire suppression, fire prevention, fire building inspections, and first response medical services (BLS)
- Cannot fund Advanced Life Support (ALS) services
- The Fire Assessment Study looks at the utilization of fire services in 5 land use categories
- Assessment rates are calculated based on the allocation of resources and budget
- Tindale Oliver and Associates, Inc. has been tasked with providing the study

Presentation Outline



Fire Assessment Study

Lake County Fire Assessment Study

June 23, 2015



**Tindale
Oliver**
planning | design | engineering



Presentation Overview

- 1 Background/Purpose**
- 2 Findings of Technical Study**



Background

- Last updated in 2011
 - 2008-10 incident data
 - FY 2010 adopted budget
- Interim Updates in 2013 & 2014
 - Shift from residential to non-residential
 - Recommended maintaining current rates
- County retained Tindale Oliver to conduct a full update study



Purpose

- Results of Technical Analysis
- Questions & Comments



Presentation Overview

- 1 Background/Purpose**
- 2 Findings of Technical Study**



Findings of Technical Study

➤ Conclusions

- Stable Assessment Factor (% Non-ALS)
- Increase in Assessable Budget
- Change in incident/resource distribution
- Stable Property Units by Land Use
- Increased rates for non-residential land uses
 - Highest increase in institutional



Findings of Technical Study

➤ Calculation Components

- 1) Distribution of Incidents
 - ALS vs. Non-ALS
 - By Land Use
- 2) Assessable Budget
- 3) Property Units by Land Use
- 4) Calculated Rates



Findings of Technical Study

Variable	Change
Distribution of Incidents:	
- ALS vs. Non-ALS	Stable
- By Land Use	Shift from Residential to Non-Residential
Budget	Increase (+13%)
Property Units	Stable
Calculated Rates:	
- Residential	Increase (+8%)
- All Other	Increase (15% to 68%)

Findings of Technical Study

● Distribution of Incidents

Criteria	Avg. of 2008-10		Avg. of 2008-2014	
	ALS	Non-ALS	ALS	Non-ALS
Frequency	19.0%	81.0%	20.8%	79.2%
Staff Time	19.2%	80.8%	20.7%	79.3%
Vehicle Time	18.0%	82.0%	20.6%	79.4%
Total Resources	18.8%	81.2%	20.7%	79.3%

Findings of Technical Study

- Distribution of Total Resources by Land Use

Description	Total Resources		
	Avg. of 2008-2010	Avg. of 2008-2014	% Change
Residential	87.7%	84.9%	-3%
Hotel/Motel/RV Park	1.8%	1.9%	6%
Commercial	5.0%	5.1%	2%
Industrial/Warehouse	0.9%	1.0%	11%
Institutional	4.7%	7.1%	51%



Findings of Technical Study

- Budget Comparison

Description	Total Funding Requirement	% Change (From FY 2010)
FY 2011 Assessable Budget	\$16.7 Million	-
FY 2015 Assessable Budget	\$18.8 Million	+13%



Findings of Technical Study

- Cost Allocation (Maximum Assessable Budget)

Description	FY 10/11 Assessable Budget	FY 15 Assessable Budget	% Change*
Residential	\$14.6 M	\$16.0 M	9%
Hotel/Motel/RV Park	\$0.30 M	\$0.36 M	20%
Commercial	\$0.84 M	\$0.96 M	15%
Industrial/Warehouse	\$0.15 M	\$0.19 M	28%
Institutional	<u>\$0.78 M</u>	<u>\$1.3 M</u>	71%
Total	\$16.7 M	\$18.8 M	13%

* May not calculate due to rounding



Findings of Technical Study

➤ Property Units

- Residential Units – (1.1% Increase)
- Hotel/Motel/RV Park – (0.8% Decrease)
- Commercial – (1% Decrease)
- Industrial Warehouse – No Change
- Institutional – (3% Increase)



Findings of Technical Study

- Calculated Rate Schedule (Maximum Calculated)

Rate Category	Unit	Current	Calculated	% Change (2015-2016)
Residential	DU	\$181	\$195	8%
Hotel/Motel/RV Park	Room or RV Space	\$44	\$54	23%
Commercial (15K sf)	Building	\$2,205	\$2,547	16%
Industrial/Warehouse (15K)	Building	\$288	\$370	28%
Institutional (15K)	Building	\$2,844	\$4,757	67%



Findings of Technical Study

➤ Conclusions

- Stable Assessment Factor (% Non-ALS)
- Increase in Assessable Budget (+13%)
- Change in incident/resource distribution
- Stable Property Units by Land Use
- Slight decrease in residential land use rate, increase for all other land uses
 - Highest increase in institutional

Presentation Outline



Staff Recommended Rates

Staff Recommended Rates



- To be conservative in previous years the Board has set the Fire Assessment rates at less than the maximum
 - Ensures funding is not used for ALS services
 - Avoids potential for legal challenges
 - MSTU funding is also available to fund the Fire Rescue budget

Staff Recommended Rates



Staff Analysis

- The maximum rates significantly increases fire assessment fees in all land use categories (8% to 67%)
- The maximum rates included capital needs in the assessable budget calculation
- The Fire Assessment rates are proposed at less than the maximum, at a level to meet the FY 2016 status quo operating budget
- Infrastructure Sales Tax is being considered for capital needs
- Proposed Fire Assessment rate changes are due to changes in utilization of fire services by land use category

Staff Recommended Rates



Distribution of Total Resources by Land Use

Description	Total Resources		
	Avg. of 2008-2010	Avg. of 2008-2014	% Change
Residential	87.7%	84.9%	-3%
Hotel/Motel/RV Park	1.8%	1.9%	6%
Commercial	5.0%	5.1%	2%
Industrial/Warehouse	0.9%	1.0%	11%
Institutional	4.7%	7.1%	51%

Staff Recommended Rates



Calculated Rate Schedule

Rate Category	Unit	Current	Calculated	% Change (2015-2016)
Residential	DU	\$181	\$175	-3.3%
Hotel/Motel/RV Park	Room or RV Space	\$44	\$48	9.1%
Commercial (15K sf)	Building	\$2,205	\$2,286	4%
Industrial/Warehouse (15K)	Building	\$288	\$332	15%
Institutional (15K)	Building	\$2,844	\$4,269	50%

Presentation Outline



Institutional Category

Institutional Category



- Institutional Property – those tax parcels designated as “Institutional” by the Department of Revenue and as assigned by the Property Appraiser
- Examples – Retirement/assisted living facilities, hospitals, humane society, Boy Scouts, government properties, and religious institutions
- Approximately 820 institutional properties within the assessed areas

Institutional Category



- Approximately 230 Institutional organizations have tax exempt status
- Institutional Properties qualify for tax exempt status under Chapter 196 through the Lake County Property Appraiser and DOR and are eligible for a discounted Fire Assessment
- Annual rate resolution to the Board of County Commissioners specifies the discount rate at 50%
- The balance of the assessed fee comes from the General Fund

FLORIDA
DEPARTMENT
OF REVENUE

**Ad Valorem Tax Exemption
Application and Return**
(Per 196.195, 196.196, 196.197, 196.2001, 196.2002, Florida Statutes)

Alternate Key Number
DR-604
R. 11/01

For use of organizations applying for exempt status under Chapter 196, Florida Statutes which are organized and operated for one or more of the following purposes: (Check one or more)

☐ Religious ☐ Literary ☐ Charitable ☐ Scientific ☐ Sewer Water/Wastewater Systems ☐ Education
☐ Hospitals, nursing homes, and homes for special services ☐ Other _____

A General Information

1. Full Name of Organization: _____ County Where Property is Located: _____

2. Complete Address: _____ Business Phone: _____

3. Address of Property (if different from above): _____

4. List All Owners of the Property and their Proportionate Interest: _____

5. Legal Description (Appraiser's R.E., parcel no., etc. may be substituted): _____

6a. Is the organization incorporated?
☐ Yes ☐ No

6b. If no, what is form of organization? _____

6c. If yes, is the organization exempt from federal income tax under:
☐ 501(c) (3), I.R.C.
☐ 501(c) (12), I.R.C., Water, Wastewater Systems, 196.2002, F.S.
☐ 115 (a), I.R.C. of 1954, Sewer and Water, 196.2001, F.S.
Provide a copy of the current exemption determination letter from the Internal Revenue Service _____

7a. Is any of this property rented or leased?
☐ Yes ☐ No

7b. If yes attach a copy of all active rental and/or lease contracts last year: _____

8. Owner's statement of full value

Real property improvements	\$
Real property land	\$
Tangible personal property	\$

9. What is the property used for? _____

10. Is any portion of the above described property used for non-exempt purposes? ☐ Yes ☐ No (If yes attach detailed explanation) _____

Attach Extra Sheet if Necessary

Institutional Category



Institutional Rates

- Due to the changes in utilization by Land Use Categories the Institutional rates are increasing by 50%
- Tax exempt properties will see a significant increase in fire assessment fees
- To keep tax exempt properties paying approximately the same fire assessment fee as FY 2015 the discount in the assessment will need to increase to an estimated 64%

Institutional Category



Fiscal Impact

Institutional Properties	FY 2015 Budget	FY 2016 Proposed Budget
Government (100% GF)	\$312,408	\$448,950
Tax Exempt (50% GF)	\$208,154	\$302,753
Additional Discount for Tax Exempt (FY 2015 status quo)		\$94,420
Total General Fund Impact	\$520,562	\$846,123

Presentation Outline



Next Steps

Next Steps



- July 21st – Initial Fire Assessment Resolution with updated assessment rates
- September 15th – Public Hearing

Presentation Outline



Recommended Action

Recommended Action



- Accept the Tindale-Oliver & Associates, Inc. Fire Assessment Study